

February 13, 2003

The Honorable Michael Powell
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20544

RE: CC Docket No. 01-338. Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers.

Dear Chairman Powell:

The Los Angeles Economic Development Corporation supports free market competition for all types of businesses. We believe fair and unhindered competition will provide many benefits to California residents and businesses alike. We also realize the value a quality telecommunications infrastructure provides to economic development opportunities.

We support proposals before the FCC to eliminate unbundled switching and the UNE-P provisions. We think this provisioning is not encouraging competition as much as it is hurting telecommunications consumers and hampering the future of this industry.

High-speed, broadband telecommunications services have become an essential component of economic development and quality of life measures throughout America. Never before has the demand for these services been greater. Freeing broadband investment from costly unbundling requirements would facilitate the deployment of valuable broadband technologies. Plus it would free the way for investment of new broadband technologies – providing California's businesses with products and services to make them more competitive and efficient. Consumers would benefit as well through increased access, advanced technologies, and better costs.

Eliminating harmful UNE-P provisions and balancing the regulatory environment for the telecom industry also would create new jobs and provide incentives to telecom companies to increase capital spending and investment. In fact, a recent study released by the Progress and Freedom Foundation found that eliminating the current unbundling regime would result in the creation of 1.115 million new jobs in the communications sector and an increase in capital spending of \$169.5 billion over the next five years.

It seems like an easy solution for a long-term benefit in telecommunications. We appreciate your consideration of our position.

Sincerely,

A handwritten signature in cursive script that reads "Lee Harrington".

Lee K. Harrington
President & CEO

cc: Commissioner Abernathy
Commissioner Adelstein
Commissioner Martin
Commissioner Copps